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March 16, 2004

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To: Community Care for the Aged and Disabled (CCAD) Residential Care (RC) Providers

Subject: Long Term Care (LTC)  
Information Letter No. 04-06  
RC Rate Changes

The Texas Health and Human Services Commission approved rate changes for the Community Care for the Aged and Disabled (CCAD) Residential Care (RC) providers. These rates are effective April 1, 2004. The new CCAD RC rates are included on Attachment I, which should be substituted for section 1500 of the RC Provider Manual until a manual revision is distributed.

These reimbursement rates adjust for the increase in Retirement, Survivors, and Disability Insurance (RSDI) benefits and Supplemental Security Income (SSI) Federal Benefit Rate which clients began receiving effective January 1, 2004. As a result, the client's room and board and co-payment (if applicable) will be increased and DHS' share will be reduced. The new monthly amount of the client's share of room and board for the RC Apartment setting is \$288.50; the new monthly amount for the RC Non-Apartment setting is \$237.12. Case managers will notify clients of their new payment amount no later than March 19, 2004, and will share a copy of Form 2065-A, Notification of Community Care Services, with the CCAD RC facility.

All claims for services delivered on or after April 1, 2004, will be processed using the new payment rates. Claims submitted by the provider for any services delivered on or after April 1, 2004 must be prepared using the new rates.

Please contact your contract manager if you have any further questions regarding this information letter. Contract managers should call Sarah Hambrick at (512) 438-2578 if they have questions regarding this information letter.

Sincerely,

[signature on file]

Marilyn Eaton  
Director  
Long Term Care Services

ME:ck

Attachment

**1400 LICENSING INFORMATION**

For information about licensing, you may contact

Texas Department of Human Services  
Long Term Care - Regulatory Licensing Section, MC E-349  
P.O. Box 149030  
Austin, Texas 78714-9030

**1500 METHODS OF PAYMENT**

You may choose to participate in the Attendant Compensation Rate Enhancement option and receive enhanced rates. The Attendant Compensation Rate Enhancement option was introduced to create incentives for increased wages and benefits for community care attendants. The participant and non-participant rates are included on the reimbursement charts. The Health and Human Services Commission (HHSC) Rate Analysis Department is responsible for annually enrolling providers in the Attendant Compensation Rate Enhancement option. The open enrollment period is July 1 through July 31, unless specified by HHSC.

You may obtain further information on the Attendant Compensation Rate Enhancement option by contacting:

Texas Health and Human Services Commission  
Rate Analysis  
Mail Code Y-995  
1100 West 49th Street  
Austin, TX 78756-3101

Telephone numbers can be found at  
<http://www.hhsc.state.tx.us/medicaid/programs/rad/index.html>

The statewide unit rates are determined by the Health and Human Services Commission (HHSC). Unit rates are based on data obtained from the cost report submitted to HHSC by each individual service contractor.

To find information about HHSC's methodology for setting a reimbursement rate, establishing allowable and unallowable costs, and establishing cost-report requirements, see Appendix VI, Reimbursement Methodology for Residential Care, and Appendix IX, Cost Determination Process.

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(continued)

**1500 METHODS OF PAYMENT** (continued)

§46.4004. The unit rate reimbursed by the Texas Department of Human Services (DHS) includes any client copayments. In no case may the combined reimbursement from DHS and the client exceed the rate specified for each type of setting.

§46.1001(4). Unit of Service — A unit of service is defined as one day.

The rates for the Residential Care Program effective April 1, 2004, are:

Participation Level Apartment	Rate Per Unit of Service
Nonparticipant.....	\$33.01
Participant - Level 1 .....	\$33.05
Participant - Level 2 .....	\$33.10
Participant - Level 3 .....	\$33.15
Participant - Level 4 .....	\$33.20
Participant - Level 5 .....	\$33.25
Participant - Level 6 .....	\$33.30
Participant - Level 7 .....	\$33.35
Participant - Level 8 .....	\$33.40
Participant - Level 9 .....	\$33.45
Participant - Level 10 .....	\$33.50
Participant - Level 11 .....	\$33.55
Participant - Level 12 .....	\$33.60
Participant - Level 13 .....	\$33.65
Participant - Level 14 .....	\$33.70
Participant - Level 15 .....	\$33.75
Participant - Level 16 .....	\$33.80
Participant - Level 17 .....	\$33.85
Participant - Level 18 .....	\$33.90
Participant - Level 19 .....	\$33.95
Participant - Level 20 .....	\$34.00
Bedhold.....	\$6.26, plus amount paid for room and board

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**1500 METHODS OF PAYMENT** (continued)

Participation Level Non-Apartment	Rate Per Unit of Service
Nonparticipant.....	\$27.76
Participant - Level 1 .....	\$27.80
Participant - Level 2 .....	\$27.85
Participant - Level 3 .....	\$27.90
Participant - Level 4 .....	\$27.95
Participant - Level 5 .....	\$28.00
Participant - Level 6 .....	\$28.05
Participant - Level 7 .....	\$28.10
Participant - Level 8 .....	\$28.15
Participant - Level 9 .....	\$28.20
Participant - Level 10 .....	\$28.25
Participant - Level 11 .....	\$28.30
Participant - Level 12 .....	\$28.35
Participant - Level 13 .....	\$28.40
Participant - Level 14 .....	\$28.45
Participant - Level 15 .....	\$28.50
Participant - Level 16 .....	\$28.55
Participant - Level 17 .....	\$28.60
Participant - Level 18 .....	\$28.65
Participant - Level 19 .....	\$28.70
Participant - Level 20 .....	\$28.75
Bedhold.....	\$7.95, plus amount paid for room and board